REMARKS

In response to the office action of November 29, 2004, please amend the above-identified application. Please amend claims 1, 3-10, 12-20, and 22-26. The claims were amended to provide proper antecedent basis. Please cancel claim 21.

Claims 21, 22, 25 and 26 were objected to because of informalities. Claims 22, 25 and 26 have been amended.

Claims 6-8, 12-18, 20-22 and 26 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The claims have been amended in response thereto and this rejection is believed to be moot.

Claims 1-18 were rejected under 35 U.S.C. 102(b) as being anticipated by U.S. Patent No. 4,662,803 to Arnold.

Claim 1 has been amended for clarification but has not been amended substantively. Claim 1, as amended, is patentable. Arnold is not a drilling tool. Arnold is a reamer. A hole or bore cannot be cut or made in a workpiece having a flat surface with the device of Arnold because Arnold lacks a cutting tip. Arnold does not have bit stages. The Examiner's arbitrary markings on the Arnold drawings do not comprise stages or steps. Nor does Arnold have a first bit stage having a core bit. Simply put, Arnold is not a core bit. Arnold does not have a step, it's a conical reamer. There are no successive diametrical stages in Arnold as recited in amended claim 1. The core bit of

claim 1 will produce a cylindrically-shaped core whereas the reamer of Arnold will not produce a core of any shape. Arnold just produces shavings.

Arnold is totally different from recitations of claim 1. Arnold does not mention the words "stage, bit, step or diameter" in its disclosure.

Anticipation requires that there be an identity of invention. Anticipation requires that all elements and limitations of the claim are found within a single prior art reference. There must be no difference between the claimed invention and the reference disclosure. Carella v. Starlight Archery and ProLine Co., 804 F.2d 135, 138, 231 USPQ 644, 646 (Fed. Cir. 1986). Connell v. Sears, Roebuck & Co., 722 F.2d 1542, 1549, 220 USPQ 193, 198 (Fed. Cir. 1983). Kalman v. Kimberly-Clark Corp., 218 USPQ 781 (Fed. Cir. 1983).

Claim 1 is patentable over Arnold. Claims 2-28 are directly or indirectly dependent on allowable claim 1 and as such are patentable.

Reconsideration of claims 1-20 and 22-26 is respectfully requested.

Claim 21 has been cancelled.

Applicant notes that the Examiner has determined that allowable subject matter has been determined in claim 19-26 and wish to thank the Examiner for that determination. Claims 19-20 and 22-26 are not being rewritten at this time as it is believed that claim 1 as amended is allowable.

The undersigned invites a telephone call from the Examiner if it would expedite the processing and examination of the application.

Respectfully submitted,

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